

CHAPTER 14 EMPLOYEE DEFERRED COMPENSATION PLAN

1400 EMPLOYEE AGREEMENT TO DEFER COMPENSATION

- 1400.1 Any employee of the District of Columbia government (except an employee of an agency not under the personnel authority of the Mayor or an independent agency as defined in the Comprehensive Merit Personnel Act of 1978, D.C. Law 2-139, §1-601 et seq., D.C. Code, 1981 ed.) shall be eligible to participate in the employee deferred compensation program (the "Plan").
- 1400.2 The Deputy Mayor for Financial Management may enter into an agreement with any agency not under the personnel authority of the Mayor or any independent agency for the purpose of extending to employees of such agency eligibility to participate in the Plan.
- 1400.3 Any eligible employee may elect to become a participant in the Plan by entering into a Joinder Agreement with the District. The Joinder Agreement shall incorporate the Plan Document by reference and set forth the following:
- (a) The amount of compensation to be deferred;
 - (b) The investment election requested by the participant;
 - (c) The payment option elected by the participant; and
 - (d) The beneficiary designated by the participant.
- 1400.4 The "Plan Document" incorporated into the Joinder Agreement between the Deputy Mayor for Financial Management and a participant shall contain the official information about the Plan and shall include the following terms, conditions, and provisions:
- (a) The purpose of the Plan;
 - (b) The definitions;
 - (c) The administration;
 - (d) The participation in the Plan;
 - (e) The limitations on deferrals;

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- (f) The investments and account values;
- (g) The benefits;
- (h) The Nonassignability;
- (i) The amendment or termination of Plan;
- (j) The applicable law; and
- (k) The miscellaneous provisions.

1400.5 The Deputy Mayor for Financial Management shall select the investment elections available to participants, which shall include, but not be limited to, group fixed or variable annuity contracts. The Plan administrator(s) shall invest funds held by the Plan administrator(s) pursuant to Joinder Agreements in accordance with the requests made by each participant at the time of enrollment or change in enrollment.

1400.6 At the time of entering into or amending a Joinder Agreement, a participant shall agree to defer a minimum of twenty dollars (\$20.00) per biweekly payroll period or forty-three dollars (\$43.00) per monthly payroll period or such greater amount as may be required under the investment election selected in the Joinder Agreement.

1400.7 The maximum that may be deferred under the Plan for the taxable year of the participant shall not exceed the amounts permitted by §457(b) of the Internal Revenue Code of 1954.

1401 DEPOSIT AND INVESTMENT OF DEFERRED COMPENSATION

1401.1 All amounts of compensation deferred under the Plan, all property and rights purchased with such amounts, and all income attributable to such amounts, property, or rights, shall remain (until made available to the participant or other beneficiary) solely the property and rights of the District of Columbia (without being restricted to the provision of benefits under the Plan) subject only to the claims of the District of Columbia's general creditors.

1401.2 The Deputy Mayor for Financial Management shall maintain a custodial account(s) for deposit of participant deferrals prior to the transmittal of such deferrals to the investment carriers and shall provide timely notice of such deposits to the Plan administrator(s).

1401**DEPOSIT AND INVESTMENT OF DEFERRED COMPENSATION**

- 1401.3 The plan administrator(s) shall instruct the bank maintaining the account(s) to transmit participants' deferrals and all necessary information to the appropriate investment carrier within a reasonable time after receipt of appropriate deferral and investment data from the Deputy Mayor for Financial Management.
- 1401.4 The plan administrator(s) shall forward necessary investment instructions to the investment carriers in order that all deferrals shall be invested in a timely and proper manner.
- 1401.5 Neither the Deputy Mayor for Financial Management nor any plan administrator shall deposit any funds pursuant to the Deferred Compensation Act of 1984 in any bank which has not made the certifications regarding loans to and investments in the Republic of South Africa and Namibia required by §2 of D.C. Law 5-50, §47-342, D.C. Code, 1981 ed.
- 1401.6 No plan administrator shall invest any funds which are in its possession pursuant to the Deferred Compensation Act of 1984 in the stocks, securities and other obligations of any company which is listed as doing business in or with the Republic of South Africa or Namibia in the Mayor's Order issued pursuant to §5 of D.C. Law 5-50, §47-139, D.C. Code, 1981 ed.

